



IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by JJH Equipment Trust
for an Exemption Covering the Jedney I, Jedney II
and Highway Transportation and Processing Facilities

BEFORE: P. Ostergaard, Chair)
L.R. Barr, Deputy Chair)
P.G. Bradley, Commissioner)
B.L. Clemenhagen, Commissioner) October 19, 2000
K.L. Hall, Commissioner)
N.F. Nicholls, Commissioner)

O R D E R

WHEREAS:

- A. On August 25, 2000, JJH Equipment Trust ("the Trust") applied to the Commission under Section 88(3) of the Utilities Commission Act ("the Act") for an exemption from Part 3 of the Act with respect to its proposed ownership of the Jedney I, Jedney II, and Highway natural gas transportation and processing facilities listed in Appendix I ("the Jedney and Highway Facilities") in northeast British Columbia which are used by Westcoast Gas Services Inc. ("WGS") to provide natural gas transportation and processing services to others; and
- B. The Trust will acquire the Jedney and Highway Facilities from WGS under a sale lease-back transaction pursuant to which the Trust will own the facilities and lease them to WGS for a specified period of time. During the term of the lease WGS will continue to operate the Jedney and Highway Facilities and use the facilities to transport and process natural gas for others; and
- C. On August 6, 1997, by Order No. G-90-97, and on August 28, 1998, by Order No. G-76-98, the Commission approved for WGS an exemption from Part 3, other than Sections 24 and 25, of the Jedney and Highway Facilities and certain other facilities used by WGS to transport or process natural gas for others; and
- D. Facilities which have been exempted from Part 3 of the Act may continue to be regulated under the Act on a complaint basis; and

- E. The Commission has considered the Application and is satisfied that an Order, under Section 88(3) of the Act, exempting the Trust in respect of the Jedney and Highway Facilities from the requirements under Part 3 of the Act, other than Sections 24 and 25, properly conserves the public interest; and
- F. On October 12, 2000, the approval of the Lieutenant Governor in Council was given to the said exemption by Order in Council No. 1397, 2000, which is attached as Appendix II; and
- G. Section 99 of the Act provides that the Commission may reconsider, vary, or rescind an Order made by it.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to Section 88(3) of the Act, the Commission approves for the Trust an exemption from Part 3 of the Act, other than Sections 24 and 25, of the Jedney and Highway Facilities, effective the date of this Order.
2. The Jedney and Highway Facilities will continue to be regulated under the Act on a complaint basis, with a complaint taking a form similar to that of an application by an interested party under the Common Carrier and Common Processor sections of Part 4 of the Act, with respect to a facility that has been declared a common carrier or common processor facility.
3. During the term of the lease, the Trust will support WGSi compliance with the operating and reporting directives of Commission Order No. G-76-98.
4. The Trust is directed to pay fees to the Commission in the amounts that the Commission determines are required to defray costs associated with the regulation of the Jedney and Highway Facilities.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of October 2000.

BY ORDER

Original signed by:

Peter Ostergaard
Chair

Attachments

JJH EQUIPMENT TRUST

**Transportation and Processing Facilities in British Columbia
Exempted from Part 3 Regulation**

1. Jedney I area - all pipelines, plant and related facilities.
2. Jedney II area – all pipelines, plant and related facilities.
3. Highway area – all pipelines, plant and related facilities.

PROVINCE OF BRITISH COLUMBIA
ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. **1397**, Approved and Ordered **OCT 12 2000**



Lieutenant Governor
Administration

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the ~~Minister of Employment and Investment~~ ^{Administration}, by and with the advice and consent of the Executive Council, orders that

approval is given to the British Columbia Utilities Commission to exempt JJH Equipment Trust from provisions of the Utilities Commission Act for the purposes and subject to the terms substantially set out in the attached draft order of the British Columbia Utilities Commission.


Minister of Employment and Investment


Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: Utilities Commission Act, section 88 (3)

Other (specify): _____